

1-1 By: Flores (Senate Sponsor - Nelson) H.B. No. 1179
1-2 (In the Senate - Received from the House April 16, 2007;
1-3 April 17, 2007, read first time and referred to Committee on State
1-4 Affairs; May 15, 2007, reported favorably by the following vote:
1-5 Yeas 8, Nays 0; May 15, 2007, sent to printer.)

1-6 A BILL TO BE ENTITLED
1-7 AN ACT

1-8 relating to procurements by the Texas Lottery Commission.

1-9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

1-10 SECTION 1. Section 466.101, Government Code, is amended to
1-11 read as follows:

1-12 Sec. 466.101. PROCUREMENT PROCEDURES. Except as otherwise
1-13 provided by this subchapter, the general law governing purchasing
1-14 and contracts by state agencies applies to the commission.

1-15 ~~[(a) The executive director may establish procedures for the~~
1-16 ~~purchase or lease of facilities, goods, and services and make any~~
1-17 ~~purchases, leases, or contracts that are necessary for carrying out~~
1-18 ~~the purposes of this chapter. The procedures must, as determined~~
1-19 ~~feasible and appropriate by the executive director, promote~~
1-20 ~~competition to the maximum extent possible.~~

1-21 ~~[(b) In all procurement decisions, the executive director~~
1-22 ~~shall take into account the particularly sensitive nature of the~~
1-23 ~~lottery and shall act to promote and ensure integrity, security,~~
1-24 ~~honesty, and fairness in the operation and administration of the~~
1-25 ~~lottery and the objective of producing revenues for the state~~
1-26 ~~treasury.~~

1-27 ~~[(c) The procurement procedures adopted by the executive~~
1-28 ~~director must, as determined feasible and appropriate by the~~
1-29 ~~executive director, afford any party who is aggrieved by the terms~~
1-30 ~~of a solicitation or the award of a contract an opportunity to~~
1-31 ~~protest the executive director's action to the commission. The~~
1-32 ~~protest procedures must provide for an expedient resolution of the~~
1-33 ~~protest in order to avoid substantially delaying a solicitation or~~
1-34 ~~contract award that is necessary for the timely implementation of a~~
1-35 ~~lottery game. A protest must be in writing and be filed with the~~
1-36 ~~commission not later than 72 hours after receipt of notice of the~~
1-37 ~~executive director's action.~~

1-38 ~~[(d) A party who is aggrieved by the commission's resolution~~
1-39 ~~of a protest under Subsection (c) may file an action in the district~~
1-40 ~~court of Travis County. The court shall give preference to hearings~~
1-41 ~~and trials of actions under this section. If the party filing the~~
1-42 ~~action seeks to enjoin the implementation of a solicitation or~~
1-43 ~~contract, the party shall post a bond that is payable to the state~~
1-44 ~~if the party does not prevail in the appeal, and is in an amount~~
1-45 ~~sufficient to compensate the state for the revenue that would be~~
1-46 ~~lost due to the delay in lottery operations.~~

1-47 ~~[(e) The commission shall require any person seeking to~~
1-48 ~~contract for goods or services relating to the implementation and~~
1-49 ~~administration of this chapter to submit to competitive bidding~~
1-50 ~~procedures in accordance with rules adopted by the commission. The~~
1-51 ~~procedures must be for the purpose of ensuring fairness and~~
1-52 ~~integrity.]~~

1-53 SECTION 2. Sections 466.102, 466.104, 466.105, 466.106,
1-54 466.107, and 466.108, Government Code, are repealed.

1-55 SECTION 3. (a) The change in law made by this Act governing
1-56 purchasing and contracts by the Texas Lottery Commission applies to
1-57 a purchase or contract made on or after the effective date of this
1-58 Act, except that a contract or purchase for which the initial notice
1-59 soliciting bids or proposals or other applicable expressions of
1-60 interest is given before that date is governed by the law in effect
1-61 when the initial notice for the contract or purchase is given, and
1-62 the former law is continued in effect for that purpose.

1-63 (b) The change in law made by this Act does not affect a
1-64 contract entered into before the effective date of this Act and does

2-1 not apply to a purchase made on or after the effective date under a
2-2 contract entered into before the effective date if the purchase is
2-3 made during the period covered by the contract.

2-4 SECTION 4. This Act takes effect September 1, 2007.

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